

MINUTES

KANSAS ELECTRIC TRANSMISSION AUTHORITY

February 27, 2009
Room 535-N—Statehouse

Members Present

Representative Carl Holmes, Chairperson
Earnie Lehman, Vice-Chairperson
Tim McKee, Secretary
Senator Pat Apple
Senator Janis Lee
Les Evans

Staff Present

Mary Galligan, Kansas Legislative Research Department
Cindy Lash, Kansas Legislative Research Department
Melissa Doeblin, Office of the Revisor of Statutes
Rebecca Wempe, Stevens & Brand

Chairperson Holmes called the meeting to order at 1:30 p.m. He proposed several additions to the agenda. *Mr. Lehman made, and Mr. McKee seconded, a motion to approve the revised tentative agenda, as amended. The motion passed.*

The Chairperson opened nominations for election of officers. *Mr. Evans made, and Senator Lee seconded, a motion to elect the current slate of officers. The motion passed.*

The Chairperson asked for approval of the minutes of January 9, 2009. *Mr. Lehman made, and Mr. McKee seconded, a motion to approve the minutes. The motion passed.*

The Chairperson recognized Mary Galligan, Kansas Legislative Research Department, who presented the January expenditure report and budget update. Ms. Galligan reported that invoices totaling approximately \$6,600 have been forwarded to the Kansas Corporation Commission for payment to date in February. She notified the Board that SB 23, the Fiscal Year 2009 rescission bill, transferred \$1,000,000 from the KETA development fund to the State General Fund (Attachment 1).

Board members discussed potential additional expenses associated with increased involvement with Southwest Power Pool (SPP) processes, legal fees, and activities of the multi-state infrastructure authorities group in fiscal year 2010. The members determined it would be prudent to request a proviso to carry over unspent funds from fiscal year 2009 to fiscal year 2010.

The Chairperson recognized Mr. McKee, who provided a report on the January 22 meeting he attended of the Colorado Clean Energy Development Authority and the multi-state infrastructure authorities group (Attachment 2).

The Chairperson recognized Tom Stuchlik, Westar Energy, who provided an update on transmission projects. The Wichita to Hutchinson area line is completed. Westar currently is working on the northern end of the line (from Summit down to Hutchinson), but has run into delays involving the Corps of Engineers (crossing a dike) and the Federal Aviation Administration (transmission lines near an airport). The line should be completed by mid-2010. The Rose Hill to Sooner line will be completed near the end of 2011.

Chairperson Holmes offered to send letters from KETA to the federal agencies expressing concern over the delays. Westar will draft a letter, which will be reviewed by Rebecca Wempe and circulated by staff for Board approval.

The Chairperson recognized Alan Myers, ITC Great Plains. He indicated that ITC expected to file its siting application early next week for the Spearville to Knoll portion of the current project, and that the company will be talking with Nebraska officials regarding the northern portion of the line.

Mr. Myers discussed the cost allocation process at the SPP. The hope is to have a balanced portfolio for the SPP Board at the end of April, but Mr. Myers was not certain the Spearville/Knoll/Axtel project will be included in the portfolio. The SPP is reviewing all projects at 345 kV.

Board members discussed what they could do to encourage the inclusion of the Spearville/Knoll/Axtel project in the balanced portfolio. Mr. Evans agreed to draft a letter to the Synergistic Group at SPP for the Board to review. In addition, Mr. Evans will try to attend the March 24 meeting of the Cost Allocation Working group in Dallas.

Board members discussed federal stimulus. Early reports indicate there may be \$6 billion for 2,000 miles of smart-grid transmission.

The Chairperson asked for a motion to go into executive session to receive a briefing on the ITC/Prairie Wind docket from the Board's attorney, Rebecca Wempe. *Mr. McKee made, and Senator Lee seconded, the motion set out below. The motion passed.*

Mr. Chairman, I move to recess the meeting until 3:45 p.m. for an executive meeting as authorized by subsection (b)(2) of KSA 75-4319, and amendments thereto, to consult with the Authority's attorney Rebecca Wempe regarding the ITC/Prairie Wind dockets on matters which are privileged in the attorney-client relationship. In addition to Committee members, the executive meeting requires the attendance of Rebecca Wempe, Stevens & Brand, L.L.P.; Mary Galligan and Cindy Lash, Legislative Research Department; and Melissa Doeblin, Office of Revisor of Statutes.

The open meeting resumed at 3:45 p.m. *Mr. Lehman made, and Mr. McKee seconded, the motion set out below. The motion passed.*

Mr. Chairman, I move to recess the meeting until 4:00 p.m. for an executive meeting as authorized by subsection (b)(2) of KSA 75-4319, and amendments thereto, to consult with the Authority's attorney Rebecca Wempe regarding the ITC/Prairie Wind dockets on matters

which are privileged in the attorney-client relationship. In addition to Committee members, the executive meeting requires the attendance of Rebecca Wempe, Stevens & Brand, L.L.P.; Mary Galligan and Cindy Lash, Legislative Research Department; and Melissa Doeblin, Office of Revisor of Statutes.

The open meeting resumed at 4:00 p.m..

The date of the next meeting was set for March 27, 2009 at 1:30 p.m.

Additional materials in the Board folders included copies of the docket schedule and case management information for Docket Nos. 08-ITCE-936-COC and 08-PWTE-1022-COC (Attachments 3 and 4).

The meeting was adjourned at 4:15 p.m.

Respectfully submitted,

Tim McKee, Secretary

Approved by the Board on:

March 27, 2009
(date)